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RUEHLH/AMCONSUL LAHORE PRIORITY 5185  
RUEHPW/AMCONSUL PESHAWAR PRIORITY 3902  
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UNCLAS SECTION 01 OF 03 ISLAMABAD 001376

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SENSITIVE  
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TAGS: PGOV PK PREL  
SUBJECT: MUSHARRAF SWEARS IN 24 MINISTERS; PRIME MINISTER  
ANNOUNCES 100-DAY PLAN

REF: A. ISLAMABAD 1355  
¶B. ISLAMABAD 1330

¶1. (U) Summary. On March 29, Pakistan Prime Minister Yousef Raza Gillani announced his "100 Day Plan" to the National Assembly. Within his plan, he looks to assist the lagging economy, continue to fight terror, strengthen Pakistan's ties with its neighbors and the West, restore the judiciary, and remove the remaining restraints on the media. He also established new guidelines for government officials, giving more oversight to the actions of the government while curbing unnecessary spending. Finally, on March 31, President Musharraf swore in 24 ministers. End Summary.

¶2. (U) On March 31, President Pervez Musharraf swore in the first tranche of cabinet members for Prime Minister Yousef Raza Gillani. Although only 24 ministers took the oath, the cabinet size is expected to swell to 70 members. In today's ceremony, eleven ministers from the Pakistan People's Party (PPP), nine ministers from the Pakistan Muslim League - Nawaz (PML-N), two ministers from the Awami National Party (ANP), one minister from Jamiat Ulema-e-Islam (JUI-F), and one minister from the Federally Administered Tribal Areas (FATA) were administered the oath. (Ref. A)

¶3. (U) On March 29, Prime Minister Gillani addressed the National Assembly to announce the "100-Day Plan" of the ruling coalition partners after securing an unprecedented unanimous vote of confidence by the ruling body. Noting that terrorism, the economy, and education are still Pakistan's biggest issues, Gillani's plan took aim at many of President Musharraf's current mandates while paying tribute to the late Benazir Bhutto.

Restoration of the Judiciary

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¶4. (U) The Prime Minister committed to restoring those judges removed by the November 3 proclamation of emergency and refused to take the oath under Musharraf's Provisional Constitution Order. In accordance with the Charter of Democracy and the Murree Declaration, Gillani promised to restore the deposed judges and to ensure the independence of the judiciary; however, no details were announced as to how or when the restoration would actually take place.

War on Terror

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¶ 15. (U) Gillani reminded the National Assembly that the "war on terror is our own war," and he noted that ensuring peace in the country and eradication of terrorism will be a top priority for his administration. To assist in this effort, he promised special funding packages for the tribes in order to reduce poverty and illiteracy. Madrassa reform was also discussed as the Madrassa Welfare Authority will be created in order to implement standard curriculum, registration, and oversight.

Media Freedom

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¶ 16. (U) The Prime Minister promised to remove any restraints on the press and to do away with the "black laws," including the Pakistan Electronic Media Regulation Authority (PEMRA) Ordinance that was enacted after the November 3 proclamation of emergency. PEMRA is also to be placed under the Ministry of Information and Broadcasting with a change in its rules and mandates for better oversight.

Electricity

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¶ 17. (U) Although he acknowledged the electricity crisis would likely worsen before it improved, Gillani described plans for new power plants to be built to overcome the electricity shortage, generating at least 2,200 megawatts by the end of the year. In addition, an energy saving campaign will be launched to save 500 megawatts this year to control load-shedding. Finally, unnecessary lighting on public buildings during holidays will be banned to further conserve

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power.

Economy

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¶ 18. (U) In order to address the lagging economy, the Prime Minister announced several initiatives. First, wheat subsidies will be increased from Rs 510 (USD 8.14) to Rs 625 (USD 9.98) per 40 kilograms of wheat in order to provide relief to the struggling farmers. To further strengthen the country's agriculture sector, Gillani assured his listeners that strict measures would be taken to eliminate crop hoarding and smuggling while a crop insurance plan would be launched. Finally, higher quality seeds and cheaper fertilizer would now also be available.

¶ 19. (U) To address the country's growing homelessness problem, the Prime Minister pledged to give 5-marla plots (approximately 2600 square feet) in rural areas and flats or 80 square yard plots in the urban centers to the homeless. One million housing units will be constructed annually, and new policies to revitalize the "slums" will be enacted. Also, government employees would be given better residential facilities, and the GOP would attempt to give each retired government employee a house or flat.

¶ 110. (U) An Employment Commission will also be created to plan for jobs in private and official sectors. Within this commission, a Literacy and Health Corporation will be established to provide student employment for the first two years after graduation. To further address the employment issue in the poorer districts, a National Employment Scheme was announced, which would provide employment to at least one member of every family. The minimum wage will be increased from Rs 4000 (USD 63.87) to Rs 6000 (USD 95.80) a month. Trade and student unions will also be reinstated.

Foreign Policy and Kashmir

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¶ 111. (U) The Prime Minister wants to strengthen Pakistan's

standing in the world and wants to develop good relations with its neighboring countries, primarily with China. Pakistan also wants to assist in bringing peace to Afghanistan, and Gillani wants stronger ties with the Islamic world, the European Union, and the United States. He also announced that confidence-building measures with India will not proceed without tangible progress on the issue of Kashmir, noting that the sacrifices of Pakistan's Kashmiri brethren will not be forgotten.

Austerity Drive

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**¶12. (U)** In order to ensure better checks and balances for all government employees, the Prime Minister announced an "austerity drive," starting with slashing the budget of the Prime Minister's House by 40 percent. In addition, all serving military personnel would be called back from civil institutions, further separating the military from the government. Cabinet members will not be allowed to use vehicles that have engines larger than 1600 cubic centimeters (cc). Special counters at airports and business class travel for parliamentarians will also be banned to remove the "VIP culture." Concurrent lists would be abolished within twelve months in order to provide greater autonomy to the provinces bringing provincial rights more in line with the Constitution. The public will now have access to meetings of the Public Accounts Committee, and Gillani introduced a Prime Minister's Question Hour in the National Assembly where he will answer questions posed by the representatives.

**¶13. (U)** Gillani also pledged to abolish two government entities: the National Accountability Bureau (NAB) and the Frontier Crimes Regulation (FCR). As for the NAB, Gillani said this agency created by Musharraf after his military coup in 1999 "has miserably failed to perform its functions and is being used for political motives." Therefore, the cases within the NAB will be decided in normal courts. As for the FCR, Gillani said it was also to be abolished since it was not alleviating the problems plaguing the Federally

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Administered Tribal Areas (FATA). In its place, Gillani said that a two-member committee would decide how to implement the various FATA-funding packages.

Comment

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**¶14. (SBU)** Comment. Many of the proposals within the Prime Minister's "100 Day Plan" sound good on paper and reflect legitimate priorities, but implementation will be the true test for this coalition government. Given the enormous challenges facing Pakistan on economic, fiscal and security fronts, it remains to be seen how much of Gillani's ambitious plan - such as increasing subsidies and building a million housing units - is feasible in the short term for cash-strapped Pakistan. End comment.

BODDE